

GMS Warns E.U. on Beaching Ban



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GMS has called upon the European Commission to think carefully before banning beaching as an option for recycling European ships following the very positive study visits by a Japanese delegation and representatives from the Danish Shipping Association (DSA) to shipyards in Alang.

The improvements made by some of the yards have led to a rise in standards to ensure compliance with the forthcoming Hong Kong Convention. The DSA is on record as saying in an article on its website that: “We consequently saw, among other things, workers wearing safety equipment and undergoing six-monthly routine medical check-ups.

“We also noted that the shipyards were engaged in operations such as asbestos handling, and regularly compiled reports from water and soil pollution tests etc. Finally, we were able to personally observe that three of the shipyards had laid a concrete base beneath the beach to stop seepage of harmful substances.”

A beaching ban by the European Commission will be counterproductive as it would discourage improvements in the ship recycling industries of South Asia.

Firstly, it will mean that E.U. flagged ships will be able to be recycled only in Turkey and China. The Turkish recycling market has a finite capacity with only 20 small yards and China's demand for steel from recycled ships varies greatly year to year. Currently there is little demand in China for scrap steel and there has not been for about a year and a half. This situation will undoubtedly lead to some E.U. flagged ships changing flag to register with states where no such ban is imposed to allow them a realistic choice of recycling destinations.

Secondly, prices will also be severely affected as E.U. registered ships forced to deal with only Turkish yards could face a collapse in value. Traditionally, southern Asian prices have been higher by about 40-60 percent than in Turkey and China due to the higher demand and value for ship steel, machinery, equipment, spares and ancillary items. Incidentally, most of these items are re-used; a more environmentally friendly option.

Banning beaching will only discourage other yards in the region from raising standards, thereby destroying the current 'virtuous circle' of improvements among shipyard owners in Alang.

If all yards in India are excluded from European approval, regardless of the improvements they have made in their infrastructure and work procedures, they will have no interest whatsoever to support their government's ratification of the Hong Kong Convention.

Finally, and perhaps most importantly, for the European Commission to base its decision on beaching on secondary data (instead of primary investigation) is illogical. There is no reasonable justification for the European Commission to punish its own members without thorough analysis.

So for these reasons GMS urges the Commission to see for themselves the improvements that have been made by some of the shipyards in Alang and is happy to extend an open invitation to officials from the Commission, and to officials from E.U. member states responsible for ship recycling.

"The last visit by officials from the EU was back in 2009 and much has changed for the better since then. It would be a travesty of justice now that yard owners in Alang are making huge improvements to working conditions for the EU to make a decision without seeing for themselves the positive changes made in the region. GMS would be happy to organize such a visit," said Dr Anil Sharma founder and CEO of GMS.

Source: <http://www.maritime-executive.com/article/gms-warns-eu-on-beaching-ban>